

PRE-ANNEXATION AGREEMENT
School and Institutional Trust Lands Administration
Utah State University
City of Moab, Utah

THIS AGREEMENT is made and entered into this 13 day of March, 2012, among the CITY OF MOAB, a Utah municipal corporation ("the City"), acting through its City Council, the STATE OF UTAH, by and through the SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION (SITLA) and UTAH STATE UNIVERSITY (USU) as Applicants:

RECITALS:

A. Applicants own certain parcels of real property situated in Grand County, Utah. SITLA owns approximately 320 acres and USU owns approximately 20 acres. The parcels are more particularly described in Exhibit A and Exhibit B hereto and depicted on the copy of the Official Annexation Map attached as Exhibit D. The parcels are collectively referred to herein as "the Properties".

B. SITLA proposes to develop approximately 300 acres of the Properties with a variety of uses including housing and commercial development. USU proposes to develop a forty-acre parcel within the 320 acres owned by SITLA as a university campus for higher education, hereinafter referred to as "Campus Development." This 40 acre parcel is described in Exhibit C. The Campus Development will follow the "30-Year Campus Master Plan for the Future Moab Campus" as being generated by Design Workshop, et al.

C. The Properties are currently located in an unincorporated area of Grand County, Utah.

D. The City and USU intend to work together to create a university campus that meets USU's goals and objectives as well as the community's expectations and needs.

E. The City has created a Utah State University Regional Campus Set Aside Fund for the express purpose of providing, at the City's discretion, funding to assist with the development of a university campus for higher education under the auspices of USU.

F. The City of Moab Planning Commission and the Moab City Council, being fully advised as to the situation and having considered the matters at duly noticed public meetings, have concluded that it is in the best interests of the City of Moab to enter into this Agreement and have made all necessary findings of fact and conclusions of law in support thereof.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein, and for other good and valuable consideration, Applicant and the City of Moab agree as follows:

SECTION ONE WATER AND SEWER SERVICES

- 1.1 The parties agree that the Properties are currently within the boundaries of the Spanish Valley Water and Sewer Improvement District (the "District"). The parties agree that water and sewer services will be provided by the District before and after annexation of the Property into City limits provided the City obtains a letter of agreement from the District that it will provide water and sewer services to the Properties at a capacity to serve the approved densities. If the District is unwilling or unable to provide these services at such a capacity, then the City may, if feasible, provide those water and sewer services necessary to support the approved densities on the Properties. The City hereby assumes no responsibility or liability for the provision of water and sewer service, or the maintenance of the water and sewer system servicing the Properties, if such services are provided by the District.

SECTION TWO OTHER AGREEMENTS AND DEVELOPMENT OF PROPERTY

- 2.1 The Applicants agree that the Properties, excluding the forty-acre parcel described in Exhibit C, will be developed in accordance with a development plan submitted and approved according to the requirements of the Moab Municipal Code. However, the parties agree that USU may develop the forty-acre Campus Development without adhering to the development requirements of the Moab City Code. USU will develop the forty acres consistent with its approach in other locations around the State of Utah, in accordance with a development plan that will be transparent and open to review and suggestions by the City and SITLA.
- 2.2 Applicants and their assigns and heirs are proposing that the Properties will be developed with a variety of uses including but not limited to housing, commercial, and institutional uses.
- 2.3 Appropriate measures must be taken to address storm water drainage during and after construction. The property owner/developer shall use City of Moab standards when developing storm water management plans. If a development will be discharging into a Grand County storm water management facility or structure, the more stringent of City of Moab and Grand County storm water management standards shall apply. These storm water drainage standards shall apply whether or not USU chooses to develop according to the City's development requirements provided for in this Section.
- 2.4 Construction activities that disturb one or more acres of land must be authorized under

the Utah Pollutant Discharge Elimination System (UPDES) General Permit for Construction Activities. Construction documents shall include appropriate Best Management Practices. A Storm Water Pollution Prevention Plan shall be prepared, approved, as may be required by the State of Utah, and kept on the construction site at all times, and fully adhered to during the construction process per the requirements of the UPDES General Permit for Construction Activities.

- 2.5 All development shall incorporate storm management plans, as referred to in Section 2.4 herein, designed to manage and control water discharges at or below historic levels and safely convey storm water flow from Moab Rim through the Properties in accordance with the requirements of the State of Utah. All onsite storm water management facilities shall be privately owned and maintained by Applicants.
- 2.6 The parties agree that Applicant will have no obligation to construct, install or undertake any other onsite or offsite improvements, except for those onsite or offsite improvements necessary to serve the development of the Properties as provided for in a development plan and other such agreements that may be entered into between the parties. The foregoing will not preclude the inclusion of the Properties in an impact fee ordinance established to undertake other municipal improvements as are determined to be necessary in the discretion of the City and uniformly applied to all similarly situated property consistent with Utah State Law.
- 2.7 The Applicants may be obligated to oversize their respective utility and transportation infrastructure improvements to be constructed on the Properties, provided that the City agrees to a reasonably acceptable mechanism that provides for the reimbursement to SITLA or USU, as applicable of a proportionate share of the excess costs and expenses incurred by SITLA or USU, as applicable, in designing, permitting and installing/constructing the improvement(s).
- 2.8 The City shall cooperate with Applicants in their efforts to obtain such permits and approvals as may be required by other governmental or quasi-governmental agencies having jurisdictions over aspects of the development of the Properties, and shall from time to time at the request of Applicant, attempt with due diligence and in good faith to enter into binding agreements with any such entity as necessary to assure the availability of such permits and approvals or services.
- 2.9 The City recognizes that a parcel, owned by Utah State University (USU), and consisting of 20 acres, more or less, as described in Exhibit B shall be conveyed to SITLA and shall be subject to the development provisions and ordinances of the City of Moab as set forth elsewhere in this document.

SECTION THREE ANNEXATION

- 3.1 Applicants and their successors, grantees and assigns irrevocably consent to and petition for annexation of the Properties and release any right of protest or opposition to any future annexation of the Properties, or any portion thereof, pursuant to the terms of this Agreement. If not previously submitted, contemporaneous with the signing of this Agreement, Applicants agree to submit a petition for annexation to the City.
- 3.2 The City agrees to initiate annexation proceedings for the Properties at such time as the Properties meet all legal requirements for annexation. At such time, Applicants agree to execute any supplemental documents necessary to give effect to this Agreement and facilitate the lawful annexation of the Properties. The parties agree that the ultimate decision to annex shall rest in the discretion of the City Council. At such time as an annexation ordinance is adopted, the Properties shall be entitled to all rights, and shall be subject to all responsibilities, applicable generally to other persons and properties within the City municipal limits, e.g., sales taxation, police protection, code enforcement and the like, except that water and sewer services shall be supplied as provided in this Agreement. The City acknowledges the Properties are owned by the State of Utah and are therefore not subject to certain taxes. Nothing in this Agreement is intended to change this tax exempt status.
- 3.3 After annexation and as necessary for the development of the Property, Applicants agree to dedicate any public roads within future projects and on the Properties to the City of Moab. Said dedication shall be in the form of a dedication plat or State patent. Applicants shall not warrant title to those properties it dedicates or otherwise conveys.
- 3.4 Under Utah Code Ann. §10-9a-304 and §17-27a-304, property owned by the State of Utah is exempt from municipal and county land use, management, and development ordinances. Notwithstanding the foregoing, in consideration of those obligations and commitments of the City set forth in this Agreement, the parties expressly agree that the Properties shall be subject to the provisions of the zoning district approved for the Properties upon annexation, including compliance with all use restrictions of the zone as generally applied to other properties within the same zoning district, except as otherwise provided for in Section 2.1 herein.
- 3.5 Upon annexation, Applicants agree that the Properties will be subject to review and approval of flood elevation data and that any development contemplated after annexation shall be required to meet National Flood Plain Insurance Program rules for such development.
- 3.6 Contemporaneous with the execution of this Agreement, Applicants agree to execute a restrictive covenant in the form contained in Exhibit F, which covenant shall bind the Properties and inform all successors and assigns that the Properties are subject to annexation when legally feasible. The covenant shall be recorded in the Grand County

land records.

- 3.7 The requested zoning is Residential R-4 and Commercial C-4 as established in Moab Municipal Code Section 17.45 and 17.27, respectively. The general areas for the proposed zoning are shown in Exhibit E.

SECTION FOUR GENERAL PROVISIONS

- 4.1 The provisions of this Agreement shall constitute covenants or servitudes which shall touch, attach to and run with the land. This Agreement shall be binding on and inure to the benefit of the successors and assigns of the Properties and future development projects. The Agreement may be transferred, provided that Applicants shall obtain an assumption by the transferee of future commercial development obligations under this Agreement, and Applicants shall be released from any further obligations under this Agreement as to the parcel so transferred.
- 4.2 Failure of a party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such party to exercise at some future time said right or any other right it may have hereunder.
- 4.3 This Agreement, including the exhibits hereto, constitutes the entire agreement between the parties and supersedes all prior agreements, whether oral or written, covering the same subject matter. This Agreement shall not be modified or amended except in writing, mutually agreed to and accepted by all parties.
- 4.4 Should any party hereto employ an attorney for the purpose of enforcing this Agreement, and whether or not an action has actually commenced, the prevailing party shall be entitled to receive from the other party reimbursement for all attorney's fees and all costs and expenses.
- 4.5 In the event of any legal or equitable act, action or other proceeding instituted by a third party, other governmental entity or official challenging the validity of any provision of this Agreement, the parties hereby agree to cooperate in defending such action or proceeding in providing necessary information or testimony to support the annexation.
- 4.6 Applicants and the City hereby renounce the existence of any form of joint venture or partnership between or among any of the parties to this Agreement and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making any of the parties to the Agreement joint venturers or partners.
- 4.7 This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. This Agreement may be executed by electronic scan or by facsimile.

- 4.8 All notices hereunder shall be given in writing by certified mail, postage prepaid, at the following addresses:

To the City of Moab:

City of Moab
217 East Center Street
Moab, Utah 84532
Attn: City Manager

To Applicant:

Attn: Assistant Director, Planning and Development Group
State of Utah, School and Institutional Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, UT 84102

Attn: David T. Cowley
Vice President for Business and Finance
Utah State University
1445 Old Main Hill
Logan, Utah 84322-1445

- 4.9 This Agreement is entered into pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Utah.
- 4.10 This Agreement does not create any third party beneficiary rights. It is specifically understood by the parties that; (a) future projects may be private or public development; (b) the City of Moab has no interest in, responsibilities for, or duty to third parties concerning any improvements to the Properties, unless the City accepts the improvements pursuant to this Agreement; and (c) Applicants shall have full power and exclusive control of the Properties, subject to the conditions of this Agreement.
- 4.11 Any default, dispute, difference or disagreement hereunder shall be referred to a single mediator agreed upon by the parties, or if no mediator can be agreed upon, a mediator shall be selected in accordance with the mediation rules of the American Arbitration Association.
- 4.12 If any provision of this Agreement, or the application of such provisions to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.
- 4.13 Upon annexation, the Properties shall be entitled to all rights and benefits, and be subject

to all legal obligations to the same extent as all other City of Moab residents, except as is provided otherwise by the express terms of this Agreement.

- 4.14 To the fullest extent provided by law, nothing in this Agreement shall be interpreted or construed to be a waiver or relinquishment by either of the parties of any immunities they possess as governmental entities pursuant to applicable law including, without limitation, the Utah Governmental Immunity Act.

IN WITNESS WHEREOF, this Agreement has been executed by the City of Moab, acting by and through the Moab City Council, which has duly authorized execution, and by Applicant, as of the date(s) specified below.

CITY OF MOAB



Mayor David L. Sakrison

2-15-12

Date

ATTEST:



Rachel Ellison E. Stenta
City Recorder

SITLA



Douglas O. Buchi
Assistant Director of Planning and Development Group
State of Utah SITLA

2-29-12

Date

Approved as to Form:



Michelle E. McConkie, Special Assistant
Attorney General


State of Utah

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§

County of Grand

)

 **ANDREA L. JAMES**
Notary Public State of Utah
My Comm. Exp: Aug. 25, 2014
Comm. Number: 600446

UTAH STATE UNIVERSITY

Andrew L. James

Notary Public
Residing in: Salt Lake County

3/13/12

Date _____

Odyssey Alliom

Notary Public
Residing in: Cache County



SCHEDULE OF EXHIBITS

- Exhibit A - Legal Description of the SITLA Property (see Annexation Map)
- Exhibit B - Legal Description of the USU Property (see Annexation Map)
- Exhibit C - Legal Description of the Proposed USU Campus Site
- Exhibit D - Copy of the Official Annexation Map
- Exhibit E- Proposed Zoning Boundaries
- Exhibit F- Restrictive Covenant Form

j:\annexation\south area annexation\preannexation agreements\sitla\pre sitla and usu 2-22-12 with usu final changes.docx

**EXHIBIT A
FOR SITLA PROPERTIES**

DESCRIPTION OF A PARCEL OF LAND WITHIN SECTIONS 17 & 18, T 26 S, R 22 E, SLB&M, GRAND COUNTY, UTAH, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTH 1/4 CORNER SECTION 17, T 26 S, R 22 E, SLB&M, AND PROCEEDING THENCE WITH THE SECTION LINE N 89° 57' W 2627.2 FT. TO THE SE CORNER SECTION 18, THENCE WITH THE SOUTH LINE OF SECTION 18 S 89° 59' W 1320.9 FT. TO THE EAST 1/16 CORNER SECTIONS 18 & 19, THENCE N 0° 11' E 1310.9 FT. TO THE SE 1/16 CORNER SECTION 18, THENCE N 89° 54' W 1317.6 FT. TO THE CENTER-SOUTH 1/16 CORNER SECTION 18, THENCE N 0° 20' E 1313.7 FT. TO THE CENTER 1/4 CORNER SECTION 18, THENCE N 89° 47' W 1299.6 FT. TO THE CENTER-WEST 1/16 SECTION 18, THENCE N 0° 15' E 1314.5 FT. TO THE NW 1/16 CORNER SECTION 18, THENCE S 89° 52' E 1301.7 FT. TO THE CENTER-NORTH 1/16 SECTION 18, THENCE S 89° 56' E 2621.6 FT. TO THE NORTH 1/16 SECTIONS 17 & 18, THENCE S 0° 02' W 1323.4 FT. TO THE 1/4 CORNER OF SECTIONS 17 & 18, THENCE WITH THE 1/4 LINE N 89° 21' E 1500.5 FT. TO THE NORTHERLY CORNER OF GOVERNMENT LOT 22, ON THE WESTERLY RIGHT-OF-WAY OF U.S. HIGHWAY 191, THENCE S 52° 16' W 395.8 FT. TO THE WESTERLY CORNER OF GOVERNMENT LOT 22, THENCE S 37° 47' E 264.1 FT. TO THE SOUTHERLY CORNER OF GOVERNMENT LOT 22, THENCE S 52° 13' W 429.1 FT. TO THE WESTERLY CORNER OF GOVERNMENT LOT 32, THENCE S 37° 47' E 464.9 FT. TO THE NORTHERLY CORNER OF GOVERNMENT LOT 33, THENCE S 52° 13' W 297.6 FT. TO THE WESTERLY CORNER OF GOVERNMENT LOT 33, THENCE S 37° 47' E 396.0 FT. TO THE SOUTHERLY CORNER OF GOVERNMENT LOT 33, THENCE N 52° 13' E 297.6 FT. TO THE EASTERLY CORNER OF GOVERNMENT LOT 33, THENCE S 37° 47' E 525.9 FT. TO THE SOUTHERLY CORNER OF GOVERNMENT LOT 28, THENCE N 52° 13' E 824.8 FT. TO THE EASTERLY CORNER OF GOVERNMENT LOT 27, THENCE WITH THE WESTERLY RIGHT-OF-WAY OF U.S. HIGHWAY 191 S 37° 52' E 190.2 FT. TO A CORNER ON THE CENTER 1/4 LINE, THENCE WITH SAID LINE S 0° 08' W 1181.5 FT. TO THE POINT OF BEGINNING AND CONTAINING 346.18 ACRES, MORE OR LESS. BEARINGS ARE BASED ON THE EAST LINE NE 1/4 SECTION 18 (BEARING FROM GPS CONTROL=N 0 02'E).

USU

EXHIBIT B FOR USU PROPERTIES

PARCEL A:

THE SOUTH $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 18, T 26 S, R 22 E, SLB&M AND CONTAINING 20 ACRES MORE OR LESS.

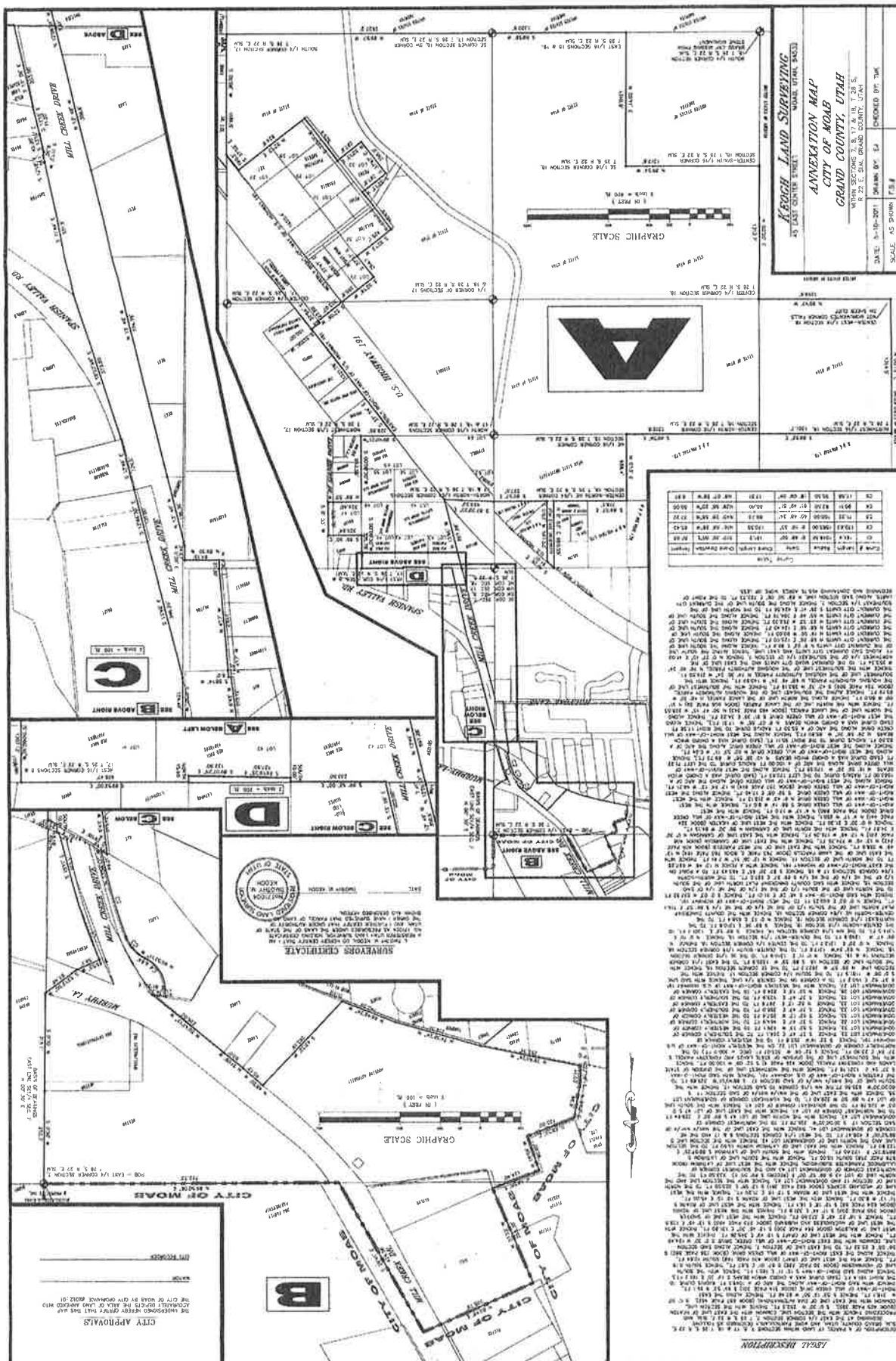
PARCEL B:

BEGINNING AT A POINT 593.6 FT. WEST OF THE NORTHEAST CORNER OF SECTION 18, T 26 S, R 22 E, SLB&M, PROCEEDING THENCE S $0^{\circ} 03' W$ 660.25 FT. TO THE NORTH BOUNDARY OF THE SOUTH $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SAID SECTION 18, THENCE EAST 66 FT. ALONG THE NORTH BOUNDARY OF SAID SOUTH $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 18, THENCE N $0^{\circ} 03' E$ 597.53 FT. TO THE SOUTH BOUNDARY OF HIGHWAY 191, THENCE WITH SAID HIGHWAY BOUNDARY N $46^{\circ} 26' W$ 91.01 FT. TO THE POINT OF BEGINNING AND CONTAINING 0.95 ACRES, MORE OR LESS.

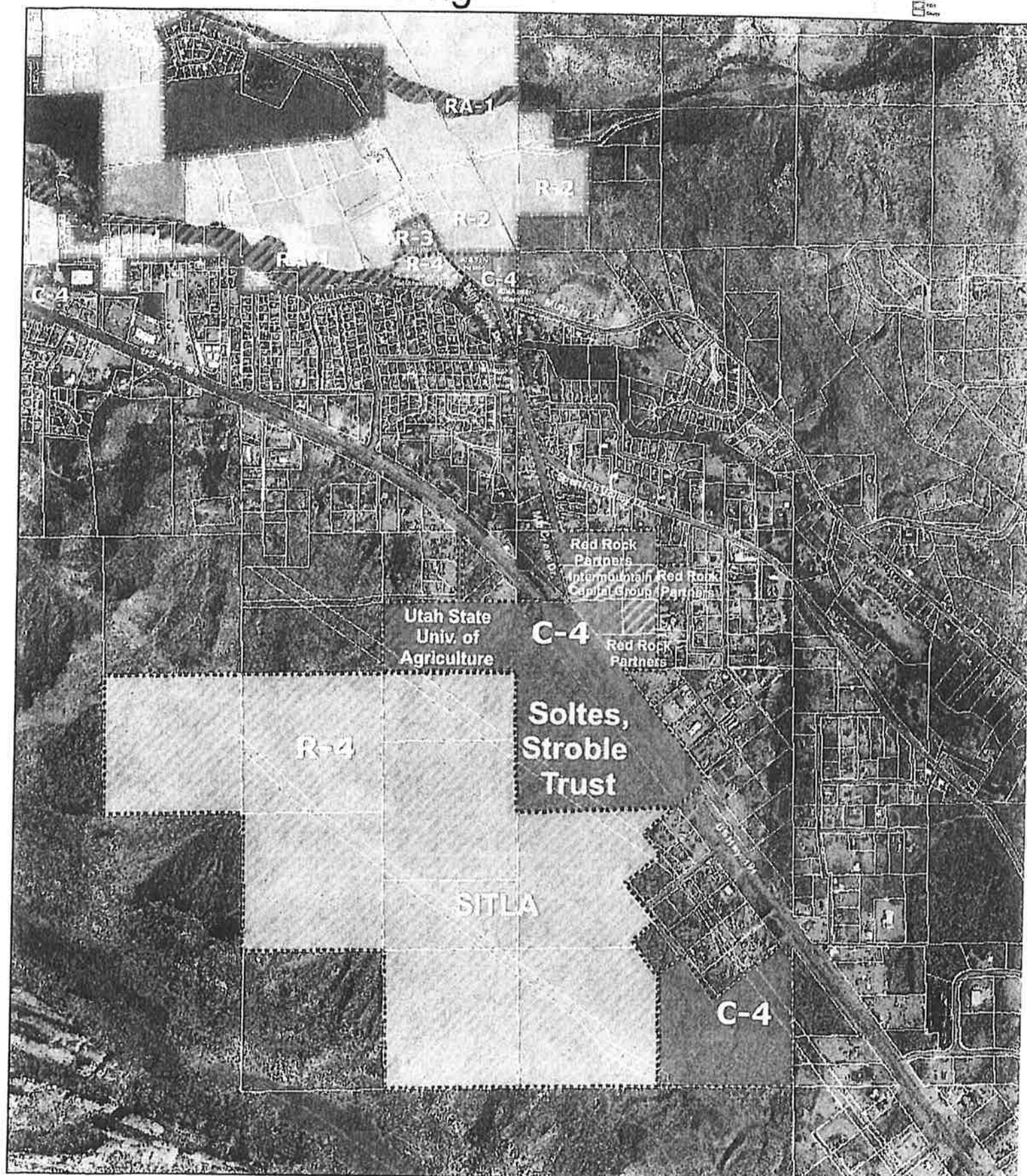
USU

**EXHIBIT C
FOR PROPOSED USU CAMPUS SITE**

THE SOUTH $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$, AND THE NORTH $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF THE SOUTHEAST $\frac{1}{4}$ OF SECTION 18, TOWNSHIP 26 SOUTH, RANGE 22 EAST, SLB&M, AND CONTAINING 40 ACRES MORE OR LESS.



1 inch = 1,200 feet



WHEN RECORDED MAIL TO:
City of Moab
115 West 200 South
Moab, Utah 84532

EXHIBIT F

RESTRICTIVE COVENANT FOR ANNEXATION

WHEREAS, the Utah State and Institutional Trust Lands Administration (SITLA), and Utah State University ("Declarants"), are the owners of certain lands, more particularly described in Attachments A and B, which properties are located in the unincorporated area of Grand County, Utah.

WHEREAS, Declarants and the City of Moab (the "City"), have entered into a Pre-Annexation Agreement providing for the annexation of said Property.

NOW THEREFORE, the Declarants, and the City stipulate and agree as follows:

1. All of the properties described in Attachments A and B are subject to a Pre-Annexation Agreement with the City of Moab.
2. Declarants, their successors, and assigns, irrevocably consent to annexation and waive protest of annexation for the lands described herein consistent with the terms of the Pre-Annexation Agreement. Declarants shall execute supplementary documents, including an annexation petition as provided in the Pre-Annexation Agreement.
3. Except as provided in the pre-annexation agreement, the City shall provide municipal services to the Property.
4. Annexation shall be committed to the discretion of the City and may only occur in conformity with the provisions of state law.
5. This covenant shall not be construed to obligate the City to appropriate funds or otherwise engage in capital facilities contraction. The decision to extend, replace, enlarge, or otherwise construct capital facilities shall be committed to the sole discretion of the City.
6. In the event that Declarants should fail or refuse to execute necessary documents, or otherwise cooperate in annexation as provided herein, the City may specifically enforce this covenant in a court of competent jurisdiction. In any legal proceeding to enforce this covenant the City shall be entitled to recover its reasonable attorney fees and court costs.

RESTRICTIVE COVENANT FOR ANNEXATION

7. The covenant shall attach to, and run with the lands described, and shall bind any grantees or successors in interest. This covenant shall terminate automatically upon the completion of annexation for all of the lands described herein.

Approved and accepted on the date set forth below.

Declarants:

SITLA

Douglas O. Buchi
Assistant Director of Planning and Development Group
State of Utah SITLA

Date

State of Utah)
 §
County of Grand)

On the _____ day of _____, 2012, Douglas O. Buchi, Assistant Director of Planning and Development Group for the State of Utah School and Institutional Trust Lands Administration, personally appeared before me, who duly acknowledged to me that they executed the same.

My Commission Expires:

Notary Public
Residing in: _____ County

UTAH STATE UNIVERSITY

David T. Cowley
Vice President for Business
and Finance, Utah State University

Date

State of Utah)
 §
County of Grand)

On the _____ day of _____, 2012, David T. Cowley, Vice President for Business and Finance for Utah State University, personally appeared before me, who duly acknowledged to me that they executed the same.

My Commission Expires:

Notary Public
Residing in: _____ County

City of Moab: _____

By: _____
Mayor David L. Sakrison

Attest:

By: _____
Rachel Ellison, City Recorder

**EXHIBIT A
FOR SITLA PROPERTIES**

DESCRIPTION OF A PARCEL OF LAND WITHIN SECTIONS 17 & 18, T 26 S, R 22 E, SLB&M, GRAND COUNTY, UTAH, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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USU

EXHIBIT B FOR USU PROPERTIES

PARCEL A:

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PARCEL B:

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WHEN RECORDED MAIL TO:
City of Moab
115 West 200 South
Moab, Utah 84532

Ent 500174 Bk 781 Pg 547 - 551
Date: 16-MAR-2012 4:51:14PM
Fee: None
Filed By: JAC
JOHN ALAN CORTES, Recorder
GRAND COUNTY CORPORATION
For: MOAB CITY

RESTRICTIVE COVENANT FOR ANNEXATION

WHEREAS, the State of Utah, by and through the School and Institutional Trust Lands Administration (SITLA), and Utah State University ("Declarants"), are the owners of certain lands, more particularly described in Attachments A and B, which properties are located in the unincorporated area of Grand County, Utah.

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3. Except as provided in the pre-annexation agreement, the City shall provide municipal services to the Property.
4. Annexation shall be committed to the discretion of the City and may only occur in conformity with the provisions of state law.
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RESTRICTIVE COVENANT FOR ANNEXATION


Page 2

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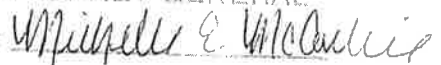
Approved and accepted on the date set forth below.

Declarants:

SITLA

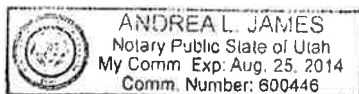

Douglas O. Buchi
Assistant Director of Planning and Development Group
State of Utah SITLA

2-29-12
Date

Approved as to Form
Mark L. Shurtleff
ATTORNEY GENERAL
By: 

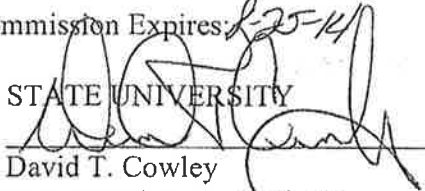
State of Utah)
County of Salt Lake)
~~Grand~~


On the 29th day of February, 2012, Douglas O. Buchi, Assistant Director of Planning and Development Group for the State of Utah School and Institutional Trust Lands Administration, personally appeared before me, who duly acknowledged to me that they executed the same.



My Commission Expires: 8-25-14

UTAH STATE UNIVERSITY


David T. Cowley
Vice President for Business
and Finance, Utah State University


Notary Public
Residing in: Salt Lake County

3/13/12
Date

State of Utah)
d4 §
County of Grand CACHE)

On the 13 day of March, 2012, David T. Cowley, Vice President for Business and Finance for Utah State University, personally appeared before me, who duly acknowledged to me that they executed the same.

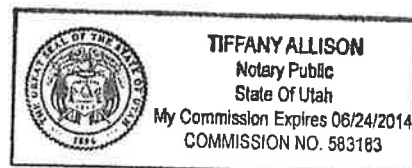
My Commission Expires: 6/24/2014

Tiffany Allison
Notary Public
Residing in: CACHE County

City of Moab:

By: Mayor David L. Sakrison
Mayor David L. Sakrison

Attest:
Rachel E. Stenta
By: Rachel E. Stenta
Rachel Ellison, City Recorder



**EXHIBIT A
FOR SITLA PROPERTIES**

DESCRIPTION OF A PARCEL OF LAND WITHIN SECTIONS 17 & 18, T 26 S, R 22 E, SLB&M, GRAND COUNTY, UTAH, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTH 1/4 CORNER SECTION 17, T 26 S, R 22 E, SLB&M, AND PROCEEDING THENCE WITH THE SECTION LINE N 89° 57' W 2627.2 FT. TO THE SE CORNER SECTION 18, THENCE WITH THE SOUTH LINE OF SECTION 18 S 89° 59' W 1320.9 FT. TO THE EAST 1/16 CORNER SECTIONS 18 & 19, THENCE N 0° 11' E 1310.9 FT. TO THE SE 1/16 CORNER SECTION 18, THENCE N 89° 54' W 1317.6 FT. TO THE CENTER-SOUTH 1/16 CORNER SECTION 18, THENCE N 0° 20' E 1313.7 FT. TO THE CENTER 1/4 CORNER SECTION 18, THENCE N 89° 47' W 1299.6 FT. TO THE CENTER-WEST 1/16 SECTION 18, THENCE N 0° 15' E 1314.5 FT. TO THE NW 1/16 CORNER SECTION 18, THENCE S 89° 52' E 1301.7 FT. TO THE CENTER-NORTH 1/16 SECTION 18, THENCE S 89° 56' E 2621.6 FT. TO THE NORTH 1/16 SECTIONS 17 & 18, THENCE S 0° 02' W 1323.4 FT. TO THE 1/4 CORNER OF SECTIONS 17 & 18, THENCE WITH THE 1/4 LINE N 89° 21' E 1500.5 FT. TO THE NORTHERLY CORNER OF GOVERNMENT LOT 22, ON THE WESTERLY RIGHT-OF-WAY OF U.S. HIGHWAY 191, THENCE S 52° 16' W 395.8 FT. TO THE WESTERLY CORNER OF GOVERNMENT LOT 22, THENCE S 37° 47' E 264.1 FT. TO THE SOUTHERLY CORNER OF GOVERNMENT LOT 22, THENCE S 52° 13' W 429.1 FT. TO THE WESTERLY CORNER OF GOVERNMENT LOT 32, THENCE S 37° 47' E 464.9 FT. TO THE NORTHERLY CORNER OF GOVERNMENT LOT 33, THENCE S 52° 13' W 297.6 FT. TO THE WESTERLY CORNER OF GOVERNMENT LOT 33, THENCE S 37° 47' E 396.0 FT. TO THE SOUTHERLY CORNER OF GOVERNMENT LOT 33, THENCE N 52° 13' E 297.6 FT. TO THE EASTERLY CORNER OF GOVERNMENT LOT 33, THENCE S 37° 47' E 525.9 FT. TO THE SOUTHERLY CORNER OF GOVERNMENT LOT 28, THENCE N 52° 13' E 824.8 FT. TO THE EASTERLY CORNER OF GOVERNMENT LOT 27, THENCE WITH THE WESTERLY RIGHT-OF-WAY OF U.S. HIGHWAY 191 S 37° 52' E 190.2 FT. TO A CORNER ON THE CENTER 1/4 LINE, THENCE WITH SAID LINE S 0° 08' W 1181.5 FT. TO THE POINT OF BEGINNING AND CONTAINING 346.18 ACRES, MORE OR LESS. BEARINGS ARE BASED ON THE EAST LINE NE 1/4 SECTION 18 (BEARING FROM GPS CONTROL=N 0 02'E).

USU

EXHIBIT B FOR USU PROPERTIES

PARCEL A:

THE SOUTH $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 18, T 26 S, R 22 E, SLB&M AND CONTAINING 20 ACRES MORE OR LESS.

PARCEL B:

BEGINNING AT A POINT 593.6 FT. WEST OF THE NORTHEAST CORNER OF SECTION 18, T 26 S, R 22 E, SLB&M, PROCEEDING THENCE S $0^{\circ} 03' W$ 660.25 FT. TO THE NORTH BOUNDARY OF THE SOUTH $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SAID SECTION 18, THENCE EAST 66 FT. ALONG THE NORTH BOUNDARY OF SAID SOUTH $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 18, THENCE N $0^{\circ} 03' E$ 597.53 FT. TO THE SOUTH BOUNDARY OF HIGHWAY 191, THENCE WITH SAID HIGHWAY BOUNDARY N $46^{\circ} 26' W$ 91.01 FT. TO THE POINT OF BEGINNING AND CONTAINING 0.95 ACRES, MORE OR LESS.